

Applicants: Lawrence A. Denny and Edward E. Patterson
Title: **OILFIELD EQUIPMENT IDENTIFICATION
METHOD AND APPARATUS**
Serial No.: 10/634,061
Filed: 10/26/2004
Atty. Dkt. No.: 1950.022

REMARKS

The Office Action dated October 26, 2004 has been reviewed. In view of the foregoing amendments to the application, and the following arguments, it is respectfully submitted that the application is now in condition for allowance.

Election-Restriction

Applicants hereby affirms the election made without traverse by Applicants' attorney on September 27, 2004.

Claim Rejections - 35 U.S.C § 102

In the Office Action, claims 1-2 were rejected under 35 U.S.C. 102(b) as being anticipated by Perkin et al. For the following reasons, it is Applicants' belief that claims 1-2 are patentable in view of Perkin et al.

Lawrence A. Denny ("Larry"), one of the inventors of the above-referenced patent application is also a co-inventor of the patent to Perkin et al. Larry has been working in this field for years and has developed various enhancements to the system set forth in Perkin et al., which contribute substantially to the success of the system. It is to these developments that the present patent application is directed.

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As background, the cost of oil field equipment is relatively high. Accordingly, it is desirable to optimally use and/or reuse many pieces of oilfield equipment for subsequent drilling and development operations. However, equipment undergoes considerable stress during drilling and completion operations. For example, pieces of oilfield equipment, such as drill pipe, may suffer from material fatigue which may ultimately result in failure of the drill pipe. The failure of downhole equipment will require a suspension of drilling operations to recover the remainder of the drill string and other related equipment. It will be appreciated that the recovery of a drill string can be an expensive and time-consuming operation, which should be avoided if possible.

The invention in Perkin et al. maintains usage histories of various oilfield equipment by affixing a portable encapsulated passive circuit capable of transmitting an identification code to a piece of oilfield equipment. The passive circuit is activated by a portable hand held reader which receives and decodes the identification code and transmits it to a central computer. The central computer verifies the reader and the existence of the equipment in a database and retrieves the usage history for the equipment. Based on the usage history, the prospective application and guidelines for usage of equipment, the computer determines the

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advisability of using the equipment in the prospective application and transmits the recommendation back to the portable hand held reader. Perkin et al. did not specifically address the maintaining of cumulative rotating and non-rotating usage of each piece of oilfield equipment in a drill string, as specified in Applicants' independent claim 1 - although Applicants were selling a database system more than one year prior to the priority date of this application that permitted manual entry of rotating and non-rotating usage as discussed in a response in a parent case.

Applicant's attorney has reviewed the citations provided by the Examiner and does not understand the rejection of claims 1 and 2. Perkin et al. does not disclose a "drill monitoring device" or a "means for outputting" as those terms are understood by Applicants' attorney in view of the written description. However, it appears from the response that the Examiner is interpreting the "drill monitoring device" of claim 1 and the "means for outputting" of claim 2 as either the keyboard or the reader described in Perkin et al. Is this correct?

In an effort to clarify the language of claims 1 and 2, such claims have been amended to specifically recite the following language: "monitoring a drilling device driving the drill string". Neither the keyboard nor the reader described in Perkin et al. monitor a drilling device driving the drill string. In view thereof, it is respectfully

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submitted that Perkin et al. does not teach or even suggest the invention recited in Applicants' claims 1 and 2. Therefore, reconsideration and withdrawal of the rejection of claims 1 and 2 is respectfully requested.

SUMMARY

The foregoing is intended to be a complete response to the Office Action mailed October 26, 2004. If the Examiner has any questions or comments regarding the foregoing, Applicants' attorney would welcome a telephonic interview with the Examiner.

Respectfully submitted,



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